
Interagency Contracts Coordinating Team (ICCT)

Meeting Minutes

September 9, 2003

Attending: Laura Nelson (OFM), Susan Johnsen (OFM), Anne Holm (SAO), Melanie Buechel (OSPI), Carolyn Stephens (OFM), Mark Tyler (DSHS), Sheila Anderson (DSHS), Tom Goldsby (L&I), Bob Paulsen (L&I), Jim Matthews (DOH), John Nispel (DOC), Melodie Bankers (HCA), Cyndi Presnell (HCA), Kathleen Carney (CTED), Anne Criss (PSAT), Melanie Buechel (OSPI), Kim Brodie (OPSI), Catie Blinn (LEG), and Kathleen Haskett (TESC)

Grants Discussion

Laura shared some of the history of this issue. Agencies have been questioning how to handle grants – are they also considered personal service or client service contracts, or are grants a separate classification or category. Some agencies have asked for further guidance for state grants. The OFM AAG conducted research on this issue and believes the Legislature did not intend to include grants within the definition of personal services contracts. She looked at RCW 39.29 and the legislative history behind grants and contracts in statute. Regarding state grants, she suggested agencies should:

- Review the purpose of the contract/grant,
- Review the authorizing legislation for agency granting authority, and
- Follow the requirements of the authorizing grant legislation

The State Auditor's Accountability Report also addressed state grants and suggested the development of guidance in this area. Laura distributed copies of a chart (in draft version) completed by the AAG, which lists state granting authority currently in law. If you'd like a copy, or if there are any changes after your review, please contact Laura Nelson.

Agency staff shared information about grants in their agencies. Many agencies have both state and federal grants. Some agencies handle grants outside of the contracting process. Some agencies don't "do grants" and so any federal or state grant money gets processed as contracts. Laura Nelson handed out federal definitions of grants and contracts. Cyndi Presnell, HCA, handed-out copies of their grant WACs for the Community Health Services. Kathleen Carney, CTED, also handed-out information pertaining to grants. For copies, please contact Laura Nelson.

The discussion around the definitions of grants and contracts centered on the federal definitions which state:

- Grants: The principal purpose of the relationship is to transfer money, property, services, or anything of value to the recipient to accomplish a public purpose of support or stimulation with no substantial involvement between the federal agency and the recipient during the performance of the activity (other than normal grant monitoring).
- Contracts: The principal purpose of the relationship is to acquire by purchase, lease, or barter, property or services for the direct benefit or use by the federal government.

There may be other federal information we could use too, possibly listing criteria for grants and contracts. A sub-committee was organized to further explore this issue and report back to this group. The group members will be Laura Nelson (co-chair), Larry Oline (co-chair), Kim Brodie, Kathleen Carney, Melodie Bankers/Cyndi Presnell, Carolyn Stephens, and a program staff from DOH. If anyone else would like to volunteer to participate, contact Laura Nelson.

The sub-committee will:

- Develop definitions for state grants versus contracts
- Develop guidance for agencies, which may be published in SAAM

They will report back to the ICCT at the November meeting.

Future Agenda Items

Next month, we will have a presentation and discussion about the 2003 risk-based audit that was conducted March-July. Along with that, one of the auditor's suggestions was that agencies use a standardized contract review checklist that will list documentation needed in contract files. DVA currently has one (Laura will ask Debbie for a copy) and Mark Tyler said he would see what DSHS staff use and send copies to Laura. We'll review these at the October meeting and see if it would be helpful for this group to work on one model that could be added to the guides for both personal service and client service contracts.

We'd also like a report on progress GA has made organizing the joint training per our discussion last spring. Tom Goldsby will follow-up with GA and present the information next month.

OFM is considering developing an advanced contracts training class, as the classes we currently offer are aimed at a more basic level. The group expressed interest in discussing what topics could be included in this class.

NEXT MEETING

The next meeting is scheduled for October 14, 1:30 to 3:30 p.m., at the OFM IBM Building.

The November meeting has been changed to Monday, November 17, 1:30 – 3:30 p.m., because the second Tuesday is a holiday (Veterans Day). This meeting will be held at the DIS Forum Board Room.

Agenda Items for October

- Risk-Based Audit Report
- Standardized Contract Review Checklist
- Joint training by GA
- OFM Advanced Contracts Training

Agenda Items for November

- Grants sub-committee report

Please email Laura with any suggestions for agenda items.